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### 1. STATEMENT OF PROBLEM:

To review the work measurement system in the Accounts, Industrial Contract Audit, and Payroll and Travel Branches for the purpose of evaluating the appropriateness and effectiveness of such systems and furnishing recommendations as to continuance.

## 2. FACTS BEARING ON THE PROBLEM:

- a. A work measurement system has been in effect in the three branches indicated above since 16 August 1954.
- b. The following approximate hours are required to prepare the Monthly Work Measurement Report:

Accounts Branch	48 hours
Industrial Contract Audit Branch	4 hours
Payroll and Travel Branch	<u>103</u> hours
Total	155 hours

- c. In addition to the Monthly Work Measurement Report the branches prepare weekly or monthly activity reports.

### 3. DISCUSSION:

- a. The work measurement system was installed, with the intent to aid supervisors in manpower utilization, supervision, operation and budget development. It has been tested over a two (2) year period.
- b. Manpower wise, the work measurement system is expensive. Approximately 155 manhours are expended each month in the counting of work units and preparation of reports.
- c. Supervisors do not use nor have they ever used the Monthly Work Measurement Report or data developed by the work measurement system. For control purposes, supervisors use a Weekly or Monthly Activity Report.

- d. The Work Measurement System contains a number of deficiencies which render the monthly reports unreliable. For the period June thru October 1956 the deficiencies were:
- (1) The selected work units reported represent only approximately 45% of the total work time.
  - (2) Percent performance in July 1956 deviated from the established norm by as much as 765% in the Accounts Branch.
  - (3) Percent performance in the Accounts Branch averaged 180%. If this figure represented true performance a reduction in T/O would now be under consideration.
  - (4) In numerous instances work units are processed over two or more reporting periods. This causes reporting errors in all periods covered.
  - (5) Time is not accurately reported. Time worked on selected units is estimated and recorded in round figures, once a day. Inaccuracies of a minute charged against many work units greatly distorts the developed data.
  - (6) The report has limited value for the purpose of comparing individual efficiency. In many cases only one (1) employee is assigned to a specific type work unit.
- e. In the case of the Industrial Contract Audit Branch work units (audits and reviews) and actual manhours are extracted from other reports. This is why only four (4) manhours are required to prepare the Monthly Work Measurement Summary. No benefits have resulted from the expenditure of the four (4) manhours.

4. CONCLUSIONS:

- a. The work measurement system is too expensive for the results obtained.
- b. The work measurement system has failed to aid supervisors in manpower utilization, supervision, operation and budget development.
- c. The Weekly and Monthly Activity Reports provide adequate information for work control.

5. RECOMMENDATION:

The work measurement system be discontinued in the Accounts, Industrial Contract Audit, and Payroll and Travel Branches.



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